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No. 90-43

In the Supreme Court
OF THE
United States

OCTOBER TERM 1990

AMERICAN BANKERS INSURANCE
COMPANY OF FLORIDA,
Petitioner,

vs.

THE PAYMASTER CORPORATION,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

RESPONDENT'S BRIEF IN OPPOSITION

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QUESTIONS PRESENTED

The Ninth Circuit decided that Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (1982), does not require the infringement of a "protected interest" in the nature of a trademark.

1. Is the unpublished opinion of the Ninth Circuit in conflict with the decisions of other circuits?

2. Does the unpublished opinion of the Ninth Circuit construing the former Section 43(a) of the Lanham Act, 15 U.S.C. 1125(a) (1982), raise significant questions of law where that Section was substantially revised by Congress in 1988?

LIST OF PARTIES

Respondent concurs with the list of parties presented by Petitioner. The Paymaster Corporation is a corporate respondent but has no affiliated corporations.

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VS.

THE PAYMASTER CORPORATION,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

RESPONDENT'S BRIEF IN OPPOSITION

STATUTES INVOLVED

Petitioner has correctly identified Section 43 of the Federal Trademark Act of 1946, as amended (the "Lanham Act"), 15 U.S.C. § 1125(a) (1982) as the relevant act of Congress involved in the Ninth Circuit's decision below. The statute is set forth in full in the Petition, p. 2.

However, Section 43 of the Lanham Act was substantially revised in 1988 by The Trademark Law Revision Act of 1988 (Pub. L. No. 100-667, 102 Stat. 3946).[1]

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[1]The Petitioner fails to set forth the revised statute in full, although it does reference the fact of the amendment in a footnote. Petitioner erroneously concludes that "although the Ninth Circuit's

The Act of Congress now in effect is Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), as amended (1988):

> (a) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which -
>
> (1) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or
>
> (2) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities,
>
> shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act. (As amended Nov. 16, 1988, Pub. L. 100-667, Title I, § 132, 102 Stat. 3946.)

STATEMENT OF THE CASE[2]

Respondent The Paymaster Corporation ("Paymaster") opposes the Petition for Writ of Certiorari filed by

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holding construed the 1982 version of the statute, that holding is equally applicable to the present version of the statute." Pet. Br., p. 2, n.1. Petitioner cites no authority for this proposition.

[2]Respondent presents this brief statement of the case to address certain inadequacies of Petitioner's Statement of the Case. (Pet. Br., pp. 3-6).

American Bankers Insurance Company of Florida ("ABIC"). The United States Court of Appeal for the Ninth Circuit, in an unpublished memorandum, determined that Paymaster had adequately proved its claims against ABIC for false advertising and false designation of origin proscribed by Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (1982). Specifically, the Ninth Circuit held that "Paymaster was not required to establish the infringement of a 'protected interest' in the nature of a trademark in order to support its Section 43(a) claim," and the district court properly denied ABIC's motion for a judgment notwithstanding the verdict and alternative motion for new trial. Petitioner challenges this decision in its Writ Petition.[3]

A. The Parties

1. Paymaster

For more than 50 years, Paymaster has manufactured "checkwriter" machines that imprint checks to make forgery and alteration difficult. Since 1957 Paymaster has provided a warranty to its purchasers with a mechanical guaranty and an indemnification provision. The guaranty covers mechanical defects for two years, and the indemnification provision provides for reimbursement of losses from forgery or alteration of checks printed on the buyer's machine for the same period. After the initial

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[3]Petitioner presents Question No. 2 in its petition, but states in a footnote that it "does not include Question No. 2 among the reasons for the grant of certiorari." Paymaster objects to Question No. 2 and refers to the District Court and Ninth Circuit's findings that Paymaster presented to the jury and the jury rendered its verdict on the basis of substantial evidence, in support of the verdict. Pet. Br. App., pp. 3-4, 15-16.

period, the warranty is renewable for additional two-year periods.

2. ABIC/UCIS

Petitioner ABIC and its agent United Commercial Insurance Services (UCIS)[4] marketed and sold insurance policies that insured against losses resulting from forged or altered checks. UCIS also offered a maintenance service agreement for mechanical checkwriter machines. Together the ABIC insurance policy and UCIS maintenance agreement offered by UCIS mimicked the two parts of Paymaster's warranty.

In April 1979 ABIC commenced an agency relationship with UCIS for the sale of check forgery and alteration insurance. At the same time, UCIS began marketing the ABIC forgery insurance and mechanical service contract by direct mail solicitation. The solicitation was designed to have the appearance of an invoice rather than an application for insurance. As a result, many UCIS customers purchased the ABIC insurance and mechanical service contract in the mistaken belief that the solicitation form they received from UCIS was in fact a bill from Paymaster.

Additionally, advertising material in the solicitation purported to compare, but in fact misstated, the differences between the UCIS/ABIC products and those provided by "Plan P," a thinly veiled reference to Paymaster.

Shortly after the mail solicitation campaign started, ABIC began receiving complaints from customers who

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[4]UCIS was a defendant in the underlying action and settled while the appeal was pending before the Ninth Circuit. The facts pertaining to UCIS-ABIC relationships are important to complete the factual context.

told ABIC that they had been deceived by the appearance of the UCIS solicitation. ABIC also received inquiries and complaints from state regulatory agencies about the deceptive invoice-like format. Although attorneys for ABIC recommended that UCIS modify its solicitation to protect against further consumer confusion, including a statement that "this is not an invoice," UCIS' chairman refused to follow the recommendations.

B. The Litigation

In August 1980 UCIS commenced an action for alleged antitrust violations against Paymaster in the United States District Court for the Central District of California. Paymaster denied all liability in its answer and counterclaimed against UCIS, its principals and ABIC. The counterclaim alleged that UCIS and ABIC violated Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (1982), and California common law prohibitions against unfair competition by falsely representing that their product came from Paymaster and by engaging in false comparative advertising. At trial, Paymaster presented evidence that UCIS' method of marketing — sending a solicitation that appeared to be an invoice to Paymaster customers — was intentionally designed to confuse the recipient. Testimony of UCIS/ABIC customers established actual customer confusion by the solicitation, as customers believed they had received an invoice from Paymaster. The evidence also established that Paymaster suffered damage as a direct result of UCIS and ABIC's misconduct.

On June 2, 1986 the jury returned a general verdict in favor of Paymaster and awarded $5,500,000 in compensatory damages jointly against UCIS, its principals and ABIC, $3,000,000 punitive damages against UCIS and

$2,361,000 punitive damages against ABIC. The District Court filed its Memorandum of Decision and Order on August 12, 1986 denying ABIC's and UCIS' Motions for Judgment Notwithstanding the Verdict and Alternatively for a New Trial.

On January 8, 1990 the Ninth Circuit Courts of Appeals affirmed the judgment of the District Court denying the Motion for Judgment Notwithstanding the Verdict and Alternative Motion for New Trial. The decision was rendered in an unpublished memorandum disposition "Not For Publication" pursuant to Ninth Circuit Rule 36-3. On May 2, 1990, the Ninth Circuit denied the Petition for Rehearing Filed by ABIC. This Writ of Certiorari was received by respondent on July 2, 1990.

REASONS FOR DENYING THE WRIT

I.

THERE IS NO CONFLICT OF OPINIONS BETWEEN THE CIRCUITS

A. The Ninth Circuit's Finding That Section 43(a) of the Lanham Act Does Not Require the Infringement of a "Protected Interest" in the Nature of a Trademark is Consistent with Decisions in Other Circuits.

The Ninth Circuit, in upholding the district court's denial of ABIC's Motion for Judgment Notwithstanding the Verdict and alternative Motion for New Trial, found that "[t]here was substantial evidence to support the Lanham Act claim that the direct mail solicitations contained false representations concerning the origin of the services offered." Pet. Br. App., p. 5. The court stated that a jury could reasonably find that "the invoice-designed document established a false impression that it originated from Paymaster" and that "Paymaster was not required to establish the infringement of a 'protected interest' in the nature of a trademark" in order to recover for false advertising under Section 43(a). Pet. Br. App., p. 6. The Ninth Circuit concluded that the district court properly denied ABIC's motions under the expansive interpretation of Section 43(a) reflected in prevailing case law.

False advertising concerning the origin of goods or services is prohibited by Section 43(a). *Smith v. Montoro*, 648 F.2d 602, 603 (9th Cir. 1981). Two of the forms of unfair competition disallowed by Section 43(a) are (i) false advertising, including false representations concerning the origin of goods or services; and (ii) infringement of registered and unregistered marks, names and trade

dress. 2 J. McCarthy, *Trademarks and Unfair Competition* § 27:2, p. 344 (2d ed. 1984).

Since the passage of The Trademark Act of 1946, the federal law of unfair competition has evolved through statutory and judicial interpretation.

> § 43(a) has gradually developed through judicial construction into the foremost federal vehicle for the assertion of two major and distinct types of "unfair competition": (1) "false advertising" and (2) infringement of even unregistered marks, names and trade dress. These two "prongs" of § 43(a) have developed somewhat separately and have achieved their own sub-set of substantive rules. *Both prongs arise out of the same words of § 43(a) in that both rest on the prohibitions against "false designation of origin" and "false description of origin" and "false description or representation". The point is that these words do double duty in covering both classic false advertising as to the qualities of defendant's goods or services as well as use of a mark which infringes a senior user's mark, name or trade dress.*

Id. (emphasis added).

ABIC identifies the two prongs of Section 43(a) as (1) false designation of origin and (2) false advertising, rather than the two prongs identified by Professor McCarthy as (1) false advertising and (2) infringement in the nature of a trademark. Section 43(a) does not contain the limitation that "false designation of origin" only gives rise to a claim for infringement. The conclusion that false designation of origin only supports a claim in the nature of trademark infringement and not false advertising is the error in petitioner's analysis. By analyzing Paymaster's claims as trademark infringement claims

under Section 43(a), petitioner concludes that Paymaster did not prove an infringement of a "protected interest" in the nature of a trademark in its false advertising claim. Pet. Br., pp. 7-9.

Section 43(a) proscribes not only acts that would technically qualify as trademark infringement but also unfair competitive practices involving actual or potential deception. *Holiday Inns v. Trump*, 617 F.Supp. 1443 (D.N.J. 1985). See also *Metric & Multistandard Components Corp. v. Metric's Inc.*, 635 F.2d 710 (8th Cir. 1980) (provision of Section 43(a) dealing with false designation of origin was designed to create a new federal remedy for the particular kind of unfair competition which results from false designation of origin *or other false representations* used in connection with the sale of a product) (emphasis added); and *WSM Inc. v. Hilton*, 724 F.2d 1320 (8th Cir. 1984) (same).

The limitation of Section 43(a) claims to require proof of a "protected interest" in the nature of trademark is not supported by statute or case law. In *Johnson & Johnson v. Carter-Wallace, Inc.*, 631 F.2d 186 (2d Cir. 1980), the court held that the statutory tort under Section 43(a) allows suit to be brought by any person who believes he or she is likely to be damaged by use of false description or representation. *Id.* at 189. Section 43(a) does not require proof of intent to deceive, and entitles a broad range of commercial parties to relief, thus differing from a common law action for trade disparagement. *Id.*

A claim of false advertising under Section 43(a) does not require that plaintiff show that defendant infringed upon a "protected interest." The plaintiff must show that "the defendant has made false or deceptive statements of fact concerning its product, consisting of actual misstatements, partially correct statements, or a failure to dis-

close." *Olsonite Corp. v. Bemis Mfg. Co.*, 610 F.Supp. 1011, 1025 (D.Wis. 1985); *see U-Haul Int'l., Inc. v. Jartran, Inc.*, 793 F.2d 1034, 1040-41 (9th Cir. 1986); *Black Hills Jewelry Mfg. Co. v. Gold Rush, Inc.*, 633 F.2d 746, 750-51 (8th Cir. 1980) (false designation of origin violates Section 43(a) even if no protected interest involved); *Liquid Controls Corp. v. Liquid Control Corp.*, 802 F.2d 934, 939-40 (7th Cir. 1986) (same); *Gilliam v. American Broadcasting Cos., Inc.*, 538 F.2d 14, 24 (2d Cir. 1976) ("[i]t is sufficient to violate the Act that a representation of a product, although technically true, creates a false impression of the product's origin"); *see also Chevron Chem. Co. v. Voluntary Purchasing Groups*, 659 F.2d 695, 702 (5th Cir. 1981), *cert. denied*, 457 U.S. 1126 (1982); *Bangor Punta Operations v. Universal Marine Co.*, 610 F.Supp. 612, 625-27 (S.D.N.Y. 1985); and *Fox Chemical Co. v. Amsoil, Inc.*, 445 F.Supp. 1355, 1360 (D. Minn. 1978) ("[T]he majority of courts and the Eighth Circuit hold that allegations of false advertising and resulting injury are sufficient to state a claim under the Lanham Act."). The Ninth Circuit is not in conflict with other circuits in determining that a Section 43(a) false advertising claim does not require proof of a "protected interest."

In contrast, a plaintiff alleging a claim of infringement under Section 43(a) must show that the defendant infringed upon the plaintiff's "protected interest" in a mark. *Levi Strauss & Co. v. Blue Bell, Inc.*, 778 F.2d 1352 (9th Cir. 1985). A "protected interest" in a mark can be a registered mark, "inherently distinctive" mark, or a mark that has acquired "secondary meaning." *Id.* at 1354.

Petitioner claims that all circuits except the Ninth Circuit require that a plaintiff prove that the purportedly infringed interest "has risen to the level of a trademark right by acquiring a 'secondary meaning' " before it can

prevail in a Section 43(a) claim for "false designation of origin encompassing the infringement of trade identity." Pet. Br., p. 7, 9. This position is erroneous.

The error arises from the confusion of the "false advertising" and "infringement" prongs of Section 43(a) and its prohibition against false designation of origin. The principal question in analyzing a claim under Section 43(a) of the Lanham Act is "whether the public is likely to be confused, rather than whether a first-comer's trade dress has acquired secondary meaning." *CPG Prods. Corp. v. Pegasus Luggage, Inc.*, 776 F.2d 1007 (D.C. Cir. 1985) (Section 43(a) "[provides] civil action for a false designation of origin and false descriptions or representations of goods or services.") Federal courts have consistently focused on the likelihood of confusion of an ordinary purchaser as to the source of goods as the "test" of a violation of Section 43(a), *Invicta Plastics (USA) Ltd. v. Mego Corp.*, 523 F.Supp. 619 (S.D.N.Y. 1981), or the "ultimate inquiry or gravamen" of claims under Section 43(a), *Marathon Mfg. Co. v. Enerlite Prods. Corp.*, 767 F.2d 214 (5th Cir. 1985).

There is no requirement that plaintiff must prove infringement of a protected interest in order to establish a claim for false advertising under Section 43(a). Paymaster's right to proceed against ABIC for violation of the false advertising provisions of Section 43(a) is well established within the circuits. The Ninth Circuit's decision does not conflict with other circuits, and the writ should be denied.

B. An Unpublished Memorandum Disposition by the Ninth Circuit Is Not Precedent and Creates No Conflict In Any Event.

As an unpublished memorandum disposition, rather than a published opinion, the Ninth Circuit's decision cannot be regarded as precedent. Petitioner argues that the Ninth Circuit's holding "is in conflict with virtually every decision to reach the issue of whether a claim for 'false designation of origin' pursuant to Section 43(a) of the Lanham Act requires proof of infringement of a protected interest." Pet. Br., p. 6.

> "Any disposition that is not an opinion or an order designated for publication . . . shall not be regarded as precedent and shall not be cited to or by this court or any district court of the Ninth Circuit, either in briefs, oral argument, opinions, memoranda, or orders, except when relevant under the doctrines of law of the case, res judicata, or collateral estoppel." U.S. Ct. of App. 9th Cir. Rule 36-3, 28 USCA.

Pursuant to Rule 36-3, no federal court in the Ninth Circuit can use the unpublished memorandum disposition as precedent. The Ninth Circuit decision is not and cannot be in conflict with opinions of other circuits because of its lack of precedential value. *Compare In re Leimer*, 724 F.2d 744 (8th Cir. 1984), *on remand* 54 B.R. 587 (pursuant to Eighth Circuit Rule 8(1), unpublished opinions are not intended to create binding precedent); and *Bologna v. NMU Pension Trust of NMU Pension & Welfare Plan*, 654 F.Supp. 637 (S.D.N.Y. 1987); with *Finkbohner v. U.S.*, 788 F.2d 723 (5th Cir. 1986) (Fifth Circuit Local Rule 47.5 allows unpublished opinions to be cited as precedent) and *Harris v. U.S.*, 769 F.2d 178 (11th Cir. 1985) (unpublished opinions are binding precedent in Eleventh Circuit.)

Ninth Circuit Rule 36-4 provides that an unpublished disposition can be redesignated as an opinion: "Publication of any unpublished disposition may be requested by letter addressed to the Clerk, stating concisely the reasons for publication." However, "[s]uch a request will not be entertained unless received within 60 days of the issuance of this Court's disposition." U.S. Ct. of App. 9th Cir. Rule 36-4, 28 USCA. More than 60 days have passed since the memorandum disposition was filed on January 8, 1990 and ABIC's Petition for Rehearing with suggestion for En Banc Reconsideration was denied on May 2, 1990. Thus, the Ninth Circuit's unpublished memorandum has no precedential effect now, and will not be published by the Court. No conflict exists between the Circuits.

C. The Ninth Circuit's Memorandum Disposition Is Not a Holding That Could Create a Conflict in the Circuits.

Petitioner identifies the Ninth Circuit's memorandum disposition as an "opinion" or "holding" of the Ninth Circuit. Pet. Br., p. 1 and *see, e.g.*, "Opinions Below." The use of the term "holding" as applied to an unpublished disposition by the Court of Appeals is misleading. *Taylor v. Diznoff*, 633 F.Supp. 640 (W.D. Pa. 1986) (reference to language of district court opinion affirmed by Court of Appeals without opinion as a "Third Circuit holding" misleading.)

Because there is no "holding" by the Ninth Circuit creating a conflict between circuits, review of the unpublished memorandum is unwarranted whatever its outcome. Of course, the Court can elect to review an unpublished order of a court of appeals, for example, where the unpublished memorandum rests upon acts in excess of jurisdiction, or resolves conflicts between ex-

isting precedent affirmed by unpublished memorandum and precedential cases in other circuits.[5] However, in this case, petitioner argues only that the Ninth Circuit has misapplied a rule of law in its unpublished memorandum, not that the Ninth Circuit relied on prior Ninth Circuit precedent, or that a jurisdictional issue exists that warrants this Court's review by writ. The writ should be denied.

II.

THE ISSUES RAISED BY PETITIONER ARE NOT SUFFICIENT TO WARRANT REVIEW BY THIS COURT

Section 43(a) of the Lanham Act Was Amended in 1988 During the Pendency of the Appeal and the Issues Raised in the Writ Petition Are Moot.

Section 43(a) of the Federal Trademark Act of 1946, 15 USC § 1125(a), "The Lanham Act", as amended (1982), is identified by petitioner as the relevant Act of Congress to be reviewed by this Court. Pet. Br., p. 2. Petitioner acknowledges in a footnote that "[t]he Trademark Law Revision Act of 1988, Pub. L. No. 100-667, 102

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[5] *See Commissioner v. McCoy*, 484 U.S. 3, L.Ed.2d 495, 108 S.Ct. 496 (1987) (Sixth Circuit exceeded jurisdiction in review of Tax Court's proceedings; fact that order was unpublished of no weight Court's decision to review case, as Circuit Court exceeded jurisdiction "regardless of nonpublication and regardless of assumed lack of precedential effect of unpublished ruling"). *See also Transamerican Freight Lines, Inc. v. Brada Miller Freight Systems, Inc.*, 423 U.S. 28, 34, 46 L.Ed.2d 169, 96 S.Ct. 229 (1975) (unpublished district court opinion following established Seventh Circuit precedent affirmed by Court of Appeal in unpublished opinion; certiorari granted per conflict in precedential case with other circuits).

Stat. 3946 (1988) (effective November 16, 1989) . . . amended Section 43(a)" of the Lanham Act.[6] Pet. Br., p. 2, n. 1.

It is well established that an issue can be mooted by the enactment of subsequent legislation, *Hall v. Beals,* 396 U.S. 45, 48, 24 L.Ed.2d 214, 90 S.Ct. 200 (1969), or where the statute that is the basis for the action is repealed or challenged conduct is modified. *Diffenderfer v. Central Baptist Church, Inc.*, 404 U.S. 412, 414-15, 30 L.Ed.2d 567, 92 S.Ct. 574 (1972). In this instance, the plain language of the 1988 amendment of Section 43(a) supports the conclusion that there is no need for this Court to review the Ninth Circuit decision, and the writ should be denied.

Petitioner concluded that because the 1988 amendment of Section 43(a) retains a claim for false designation of origin, the Ninth Circuit's decision "is equally applicable to the present version of the statute." Pet. Br., p. 2, n.1.

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[6]The revised Section 43(a), 15 U.S.C. § 1125(a) states:

(a) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which —

(1) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(2) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods services or commercial activities, shall be liable in a civil action by any person who believes that he or she is likely to be damaged by such act. (As amended Nov. 16, 1988, Pub. L. 100-667, Title I, § 132, 102 Stat. 3946.)

Petitioner cites no authority for its conclusion. There is no reason for this Court to construe the 1982 version of Section 43(a) after Congress in 1988 substantially revised and clarified the same provision.[7]

The fact that a mooting event occurred after the decision below "does not save the . . . claims from mootness. There must be a live case or controversy" before the Court. *Kremens v. Bartley,* 431 U.S. 119, 128, 52 L.Ed.2d 184, 97 S.Ct. 1709 (1977). If it becomes apparent that a case has become moot while an appeal is pending, the judgment below normally is vacated with directions to dismiss the complaint. *Mesquite v. Aladdin's Castle, Inc.,* 455 U.S. 283, 288 n. 9, 71 L.Ed.2d 152, 102 S.Ct. 1070 (1982) *on remand* 701 F.2d 524, *withdrawn, on reh'g* 713 F.2d 137, *reh'g denied* 718 F.2d 1097 (1983).[8]

The revised Section 43(a) of the Lanham Act does not contain the limitation that a claim under Section 43(a) for false designation of origin requires proof of the infringement of a protected interest that rises to the level of a trademark right. Moreover, the Ninth Circuit did not construe the revised act; it properly construed the 1982

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[7]The legislative history of The Trademark Law Revision Act, Section 35 of Pub. L. 100-667 indicates that Section 43(a) of the Lanham Act was revised "to codify the interpretation it has been given by the courts." S. Rep. No. 515, 100th Cong., 2d Sess. 7, *reprinted in* 1988 U.S. Code Cong. & Admin. News 5577, 5604. Congress identified only four areas where it expects the courts to continue to interpret the law on a case-by-case basis: (1) tarnishment; (2) disparagement; (3) standing under Section 43(a); and (4) misrepresentations resulting from omissions of material information. *Id.* None of these areas applies to this case.

[8]Even if this Court first heard of the mooting events after certiorari was granted, it would be appropriate to vacate and remand with directions to dismiss as moot. *Hijar v. Burrus,* 474 U.S. 1016, 88 L.Ed.2d 548, 106 S.Ct. 562 (1985).

statute as the statute in effect at the time it rendered its decision.[9] The substantial revisions to Section 43(a) render the issues in the petition moot.[10]

III.

THE PETITION IMPROPERLY SEEKS REVIEW OF SUFFICIENCY OF EVIDENCE AND FACTUAL FINDINGS

While purportedly seeking review of the remedies available to plaintiffs under prior Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (1982), in Question No. 2 Petitioner actually seeks review of the sufficiency of the evidence presented to the jury in the trial court. Pet. Br., p. (i). Question No. 2 involves questions of evidence and factual findings and the writ should be denied on that basis.

The District Court addressed these issues when it found that Paymaster established "actual confusion" of customers as a result of the ABIC/UCIS solicitation. The

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[9]Without an appropriate disclosure of a statute's amendment, the Court cannot assess the issues on appeal because it must review the district court's judgment with reference to existing law, not the law in effect when judgment was rendered. *Fusari v. Steinberg*, 419 U.S. 379, 387-88, 42 L.Ed 2d 521, 528, 95 S.Ct. 533, *reh'g denied*, 420 U.S. 955, 43 L.Ed.2d 433, 95 S.Ct. 1340 (1975).

[10]The effect of the amendment of Section 43(a) on the petition rendering the issues in the writ moot was not disclosed in the Petition. Counsel must fully and candidly disclose all legal developments that may alter the issues before the court. *Tiverton Bd. of License Comm'rs v. Pastore*, 469 U.S. 238, 83 L.Ed.2d 618, 105 S.Ct. 685 (1985) (it is the duty of counsel to call facts that give rise to problems of mootness to the Court's attention "in order that [the Court] may not unknowingly exercise its authority in cases in which it no longer has jurisdiction").

District Court concluded that "[s]ubstantial evidence exists to support the verdict and it is not the function of this Court to reweigh the evidence." Pet. Br. App., pp. 15-16.

The Ninth Circuit similarly determined that there was "substantial evidence in the record that the mailings caused the losses," citing *Runge v. Lee*, 441 F.2d 579, 583-84 (9th Cir. 1971), *cert. denied*, 404 U.S. 887 (1971). "ABIC's arguments on appeal are unavailable to the extent they go to the weight of the evidence and credibility of the witnesses." Pet. Br. App., pp. 3-4.

Two courts have reviewed the evidence and found it to be sufficient. No review of the sufficiency of the evidence by this Court is warranted.

IV

CONCLUSION

Respondent, The Paymaster Corporation, requests that this Court deny the Petition for Writ of Certiorari for the reasons set forth above.

Respectfully submitted,

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